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OMB

Office of Legislative Counsel

17 JUL 1978

Mr. James M. Frey
Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D.C. 20503

Dear Jim:

Enclosed are proposed views on sections 108, 119 and 501 of H.R. 12598, the "Foreign Relations Authorization Act of 1979," as passed by the Senate on 28 June 1978. These views reflect the position of the Director, and it is requested that they be included in the Administration report to the House-Senate conferees which I understand is now under preparation by your office.

I have not included specific views on Title V of the bill as passed by the House, "Science, Technology, and American Diplomacy," as I understand the Administration intends to oppose enactment of this title. The Director opposes enactment of this title; were the Administration not to oppose generally this title, we would want the report to the conferees to recommend amendatory language, and proposed congressional report language, to make clear that intelligence activities are not covered by the title. This would be consistent with our understanding of the intended scope of the title.

The enclosed views opposing enactment of section 119 reflect the views of the President on this matter; the views on section 501 are, as I understand it, consistent with discussions between CIA, State, Defense, and OMB; and, insofar as these discuss matters raised in the 28 June 1978 letter from Assistant Secretary of State Bennet to Senator Sparkman, they are consistent therewith. As to certain points, I have added material specifically addressing intelligence equities in this legislation, which I believe is necessary. Since section 108 was adopted as an unprinted floor amendment in the Senate, there is not yet an Administration position on record.

We stand ready to assist in the preparation of the final report to the conferees on these issues of concern to the Director.

Sincerely,

SIGNED

Frederick P. Hitz
Legislative Counsel

Enclosures

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